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Duke, Daphne

From: Hirak Pati <
Sent: Wednesday, April 21, 2021 11:42 PM
To: PSC_Contact
Subject: [External] Comments for Docket 2019-224-E and 2019-225-E Regarding Duke IRP

Dear South Carolina Public Service Commission,

I am writing to you regarding Duke Power's Integrated Resource Plan. I am currently a Duke Power customer and I live in Moore, South Carolina. I urge the Commission to reject the IRP. This Commission already took such a step with Dominion's proposed IRP on December 23, 2020 when it ordered the company to include renewable energy additions prior to 2026, model coal retirements prior to 2028, and include a demand side management resource option. Therefore, ordering Duke Power to revise their IRP is not an unprecedented step for this Commission.

I write in opposition to Duke Power's proposed build out of more natural gas plants. This strategy does not take into account the real and likely possibility that these plants will become stranded assets and create a larger burden to the rate payer due to their capital costs. The first is that the plants are retired prior to the end of their usable life due to federal or state regulation. While the Clean Power Plan has been tied up in court, the possibility still exists that power sector emissions may be further regulated in the future. The second is that other technologies become cheap enough that these units eventually become uneconomic to operate. One study completed by the Natural Renewable Energy Laboratory, showed that costs for battery storage will likely decline between 26% and 63% in capital costs by 2030. By 2050, that number rises to between 44% and 78%. Solar costs are also declining as well. According to the International Renewable Energy Agency, the levelized cost of solar was 0.068 per kwh in 2019. It was noted that in 2010, the cost was 0.378 per kwh. The US Department of Energy aims to reduce this to 0.02 per kwh by 2030 by funding technologies that will reduce the cost. With natural gas, costs include sourcing the natural gas itself in addition to the capital cost of building the plant. On the other hand, the cost of sourcing solar is almost free once capital costs have been paid. Therefore, by modeling construction of new gas plants, Duke Power currently does not present a plan that is most favorable to ratepayers and energy customers in South Carolina.

Additionally, natural gas is not a clean source of energy despite what Duke Power has previously stated. As a result of the process of producing and piping the natural gas to its destination, there is often methane leakage. Anything over 1% eliminates any potential climate benefits for using natural gas over coal. The widely used rate for methane leakage is currently about 2%. Therefore, reliance on natural gas is unlikely to create any environmental advantages.

Thank you for your consideration.

Hirak Pati
Moore, SC

Citations:
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